

REMARKS

The present amendment is submitted in reply to the non-final Office Action dated November 3, 2004. In the Office Action, the Examiner rejected claims 1-20 under 35 U.S.C. §112, second paragraph, as being indefinite. Moreover, claims 1, 2, 4, 5, 9 and 18-19 were rejected under 35 U.S.C. §102(b) as being anticipated by Combaluzier (U.S. Patent No. 5,973,475). Further, claims 3, 6, 7, 10 and 17 were rejected under 35 U.S.C. §103(a) as being unpatentable over Combaluzier in view of Ueda (U.S. Patent No. 5,004,899). In addition, claims 13, 14 and 15 were rejected under 35 U.S.C. §103(a) as being unpatentable over Combaluzier. Still further, claims 1, 5 and 15 were additionally rejected under 35 U.S.C. §103(a) as being unpatentable over Wallace et al. (U.S. Patent No. 5,933,328).

With respect to the rejection of claims 1-20 under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as their invention, Applicants respectfully submit that the claims, as written, are definite and particularly point out and distinctly claim the subject matter which Applicants regard as their invention. Specifically, the Examiner argues that the use of the term "transaction card" renders the claims vague/indefinite. Moreover, the Examiner states, "It is unclear to the Examiner what a transaction card is. As interpreted by Examiner, and in accordance with prior art teachings, transaction cards can include credit/debit cards, etc. and also SIM cards." Office Action, para. 1.

Applicants respectfully submit that the term "transaction card" is not vague or indefinite. Specifically, Applicants respectfully submit that a transaction card is defined in

the written description as a card that allows for the purchase of goods and services without the use of paper money or coinage. Specifically, the Applicants state, "It is generally known to provide transaction cards for providing a means for purchasing goods or services without the use of paper money or coinage." P. 1, lines 14-15. Examples of transaction cards include credit cards, debit cards, and stored value cards, although other cards allowing for the purchase of goods and services in lieu of paper money or coinage are contemplated by the present invention.

Applicants note with appreciation that claims 8, 11, 12 and 16 were objected to as being dependent upon rejected base claims, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Therefore, Applicants have added new claims 21-24 that correspond to claims 8, 11, 12 and 16, respectively. Further, Applicants have canceled claims 8, 11, 12 and 16. Applicants submit that new claims 21-24 are in allowable form and are presently in condition for allowance.

With respect to the rejection of the claims under 35 U.S.C. §102(b) and §103(a), Applicants have amended claim 1 to define that the transaction card is foldable. Specifically, Applicants have incorporated claim 3 into claim 1 and have cancelled claim 3. Applicants respectfully submit that none of the cited references, taken alone or in combination teach this combination of features, taken either alone or in combination.

The Examiner states that it would have been obvious to combine the teachings of Combaluzier and Ueda to arrive at the claimed invention. The Examiner purports to

establish the motivation to combine the teachings of Combaluzier and Ueda by stating, "One would have been motivated to do this to have a card that is convenient to carry and affords protection from static destruction." Office Action, p. 4, para. 3. However, the Examiner fails to provide a motivation to combine the teachings of Combaluzier and Ueda together to arrive at the claimed invention. The Examiner has merely cited to the reasons for the invention of the foldable card of Ueda, but fails to establish why someone would want to incorporate a foldable transaction card in a portable electronic device. Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness in combining Combaluzier with Ueda.

That the art discloses components of Applicants' claimed invention, either separately or in other combinations, is insufficient. A teaching, suggestion, or incentive must exist to make the combination claimed made by the Applicants. *See Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1143 (Fed. Cir. 1988). No teaching exists to combine the teachings of Combaluzier and Ueda.

In combining Combaluzier with Ueda, it appears that the Examiner has merely located isolated disclosures that illustrate elements of the present invention. Applicants respectfully submit that the Examiner is using impermissible "hindsight reconstruction" to pick and choose among isolated disclosures in the art to deprecate the claimed invention. Of course, it is well-established that hindsight reconstruction of an invention is impermissible. *See In re Fine*, 837 F.2d 1071, 1075 (Fed. Cir. 1988).

Because the Examiner has failed to establish a *prima facie* case of obviousness in combining Combaluzier and Ueda, the rejection of the claims under 35 U.S.C. §103(a) is improper and should be withdrawn.

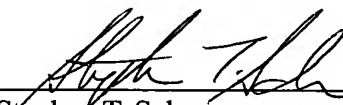
Finally, Applicants have amended claim 20 to recite that the transaction card has a dimension smaller than a traditional transaction card when the transaction card is in the unfolded state to better define the claimed invention.

In view of the foregoing remarks and amendments, Applicants respectfully submit that all of the claims in the application are in allowable form and that the application is now in condition for allowance. If, however, any outstanding issues remain, Applicants urge the Examiner to telephone Applicants' attorney so that the same may be resolved and the application expedited to issue. Applicants request the Examiner to indicate all claims as allowable and to pass the application to issue.

Respectfully submitted,

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